

Service Date: November 22, 1982

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER of the Application	)	
of GREAT FALLS GAS COMPANY for an	)	UTILITY DIVISION
Order Authorizing it to Issue and	)	DOCKET NO. 82.7.50
Sell Not To Exceed \$1,270,000 of	)	DEFAULT ORDER NO. 4919a
Industrial Development Revenue Bonds.	)	

On July 6, 1982, Great Falls Gas Company (Applicant) filed with the Montana Public Service Commission its verified application pursuant to jurisdiction granted by Sections 69-3-501 through 69-3-507, MCA, requesting an order authorizing Applicant with the City of Great Falls to issue and sell \$1,000,000 of industrial development revenue bonds (hereafter called IDR bonds).

On July 19, 1982, the Commission issued Default Order No. 4919 which granted Great Falls Gas Company the authority to issue \$1,000,000 of IDR bonds.

The applicant has, pursuant to Default Order No. 4919, proceeded with its underwriter, and the City of Great Falls, to arrange for the issuance at par, plus accrued interest from and after October 1, 1982, \$970,000 of City of Great Falls, Montana Industrial Development Revenue Bonds (Great Falls Gas Company Project, Series 1982) which bonds will be sold for 96½ percent of their par value (\$936,050). The interest rate on the IDR bonds will average 9.3723 percent per annum.

On October 28, 1982, the Applicant filed a supplemental application to issue an additional \$300,000 of IDR bonds. On July 6, 1982, the Applicant estimated that the total cost of the acquisition, remodeling, and furnishing of the office facilities would be \$1,200,000. The supplemental application included a revised estimate of those costs in the amount of \$1,464,995.

FINDINGS OF FACT

1. Applicant, Great Falls Gas Company, is a corporation organized and existing under and by virtue of the laws of the State of Montana and is qualified to transact business in the State of Montana.
2. Applicant is operating as a public utility as defined in Sections 69-3-101 and 102, MCA, and

as such is engaged in furnishing natural gas service in Montana.

3. The Commission has jurisdiction over the subject matter of the application under Sections 601-3-501 through 601-3-507 MCA.
4. Proceeds from the sale of the bonds will be used for repayment of costs incurred in the office building acquisition and reconstruction thereof.

### CONCLUSIONS OF LAW

The proposed issuance of the securities to which the application relates will be for lawful objects within the corporate purposes of Applicant and compatible with the public interest; the object is necessary, appropriate for and consistent with the proper performance by Applicant of service as a public utility; and the aggregate amount of Applicant's securities outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of Applicant.

### ORDER

IT IS ORDERED BY THE COMMISSION:

1. The application of Great Falls Gas Company for an order of the Montana Public Service Commission authorizing it to issue and sell not to exceed \$300,000 of industrial development revenue bonds, pursuant to Sections 69-3-501 through 69-3-507, MCA, and to use the proceeds for the purpose set forth herein, is approved, effective upon issuance hereof.
2. Great Falls Gas Company shall file quarterly reports with this Commission which show in detail expenditures for the new office facilities until the project is completed. Upon completion, if the actual cost of the new offices is below \$1,270,000 Great Falls Gas shall file an application with this Commission concerning the sole issue of the proper ratemaking treatment of the unexpended proceeds from the sale of bonds approved herein,
3. Great Falls Gas shall file with this Commission, as promptly as practicable after consummation of the sale of the bonds, a report on the interest rate and all other details of the sale.
4. Section 69-3-507, MCA, provides that neither the issuance of securities by Applicant pursuant to the provisions of this order, nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed hereunder.
5. Approval of the transaction herein authorized shall not be construed as precedent to prejudice any future action of this Commission.
6. Issuance of this order does not constitute acceptance of Applicant's exhibits or other material accompanying the application for any purpose other than the issuance of this

order.

DONE IN OPEN SESSION at Helena, Montana, this 15<sup>th</sup> day of November, 1982, by a 5 – 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

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GORDON E. BOLLINGER, Chairman

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JOHN B. DRISCOLL, Commissioner

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HOWARD L. ELLIS, Commissioner

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CLYDE JARVIS, Commissioner

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THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Madeline L. Cottrill  
Commission Secretary

(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty (30) days from the service of this order. If a Motion for Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA; and Commission Rules of Practice and Procedure, esp. 38.2.4806 ARM.